TERRITORY ECONOMIC FUTURE ‘BRIGHT’

The Territory will enjoy the highest economic growth in the country in the five years to 2008-09, according to independent forecaster Access Economics.

In its June quarter Five Year Business Outlook, Access predicts average annual economic growth for the Territory of 4.8%, saying the Territory’s “future is bright”. Nationally, the outlook for average annual economic growth remains at 3.3%.

Treasurer Syd Stirling said it was positive news that current strong economic growth in the Territory looked set to continue over coming years.

According to Access, the Territory economy will experience: ‘solid continuing output growth and demand growth’ and that will lead to ‘its output share of the Australian economy lifting over coming years’.

Several major resource projects will support engineering construction over the next few years, including work on the $3 billion Wickham Point LNG plant and pipeline and Alcan’s $1.9 billion expansion of its Gove refinery.

Access also predicts that the Territory will continue to defy national housing trends and notes that it is performing well in non-residential building investment, making particular mention of work on the Desert Knowledge precinct in Alice Springs. It notes that the Darwin Waterfront development will ‘reinforce the commercial construction pipeline for some time yet’.

The Territory’s average annual population growth is forecast at 1% to 2008-09 – the third highest growth rate in Australia.

Access also predicts the Territory will have the fourth highest average annual employment growth of 1.7%.

“All economic indicators, as well as anecdotal evidence, suggests the Territory is experiencing a period of strong economic growth,” Mr Stirling said.

“Importantly, that growth looks set to be sustained over coming years – which suggests we are moving away from previous ‘boom and bust’ trends.

“Government will continue to work hard to sustain growth and keep the Territory moving ahead – through strong infrastructure spending, housing initiatives, investing in tourism, attracting more people to live here and addressing skills shortages.”

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